

PAR-204

~~"Contact Chip Printer"~~
"High Quality Contact Printer"

2^d Qtr. Report: Design Objectives submitted.

25X1

Estimated Factory Costs: Phase I
" II
" III

Total

30 Jan 64: See MFR, this date, regarding re-orienting
Design Objectives

3-4 Feb 64: Title changed to "Contact Chip Printer". This is to

25X1

be held in abeyance pending the results of PAR-207.

will re-write the PAR to achieve some of the purposes.

5 Feb 64: See message this date, Contractor to prepare revised
design objective and prepare specifications.

20 Feb 64: Message of this date scheduled tech. obj.
for 12 Mar 64.

27 Apr 64: PAR-204-A recd.

25X1

Feb 65 Termination Report furnished

Declass Review by NGA.

SECRET

Par 204

21 September 1964

X1 MEMORANDUM FOR: [] Contracts Division, OSA
SUBJECT : Contract [] 25X
X1 REFERENCE : Memorandum for the Record, Subject: "Termination
of PAR-204 and Curtailment of Effort on PAR-205,
[] Investigation of Costs", dated 25 August
1964, copy attached as Enclosure 1.

1. On 21 August 1964, [] 25X
told me the following;

X1 a. PAR-204 had been orally authorized as a minor project
X1 [] in September 1963. During the meeting held at
[] on 3-4 February 1964, [] had been 25X
requested to submit a new PAR based on objectives discussed at
that meeting. This revised PAR is dated 14 April 1964 and was
received shortly after that date.

X1 b. PAR-205 had also been orally authorized as a minor
project. During the meeting on 3-4 February, an expenditure
[] had been authorized to write a revised version of
PAR-205. The revised PAR is dated 10 April 1964.

X1 2. The going rate of 182% for the overhead burden and G&A
and profit of 6.5% and 7.7% (used in [] estimate for PAR-215, 25X
dated 11 August 1964) respectively, amounts to a total of about 3 1/2
times the original labor cost. At this rate the original labor on
PAR-204 was about [] and on PAR-205, [] 25X
The ques-
tion, obviously, is whether the indicated amount of labor was actu-
ally expended. If one assumes a nominal rate of [] these 25X
figures would indicate about 200 man-hours were expended for each
PAR. As [] states, this seems like a lot of cost for a
few reports.

X1 3. At present, [] is awaiting written approval of the total
expenditures for these two PAR's. I will withhold this approval until
I hear from you.

[] 25X
Development Branch, P&DS

Enclosure: 2/2

SECRET

25 August 1964

MEMORANDUM FOR THE RECORD

SUBJECT: Termination of PAR 204 and Curtailment of Effort on
PAR 205, [] Investigation of Costs

1. Reference is made to Memorandum for the Record dated 12 August 1964 on subject PAR's recommending termination of PAR 204 and curtailment of effort on PAR 205.

2. As a result of these recommendations it has come to the project engineer's attention that the total expenditure on these efforts amounts to [] respectively. Although the project engineer currently assigned to these PAR's is only cognizant of that effort expended from January 1964 through the present, he feels the final quoted expenditures are extremely high. For instance, PAR 204, Contact Chip Printer, shows the effort amounted to [] through 26 January 1964, [] through 23 February 1964, [] through 15 June 1964 and [] through 15 August 1964. The expenditure through 23 February appears to be valid in that the effort, initiated in September 1963, verbally authorized [] to investigate "exposure arts". This resulted in a design objective which was subsequently revised by P&DS and presented to [] in February 1964, resulting in a revised objective dated 14 April 1964. It is this cost between the preparation of the revised PAR 204 [] and the closing figure of [] that is questioned, since the only effort expended during that time was the preparation of a one-half page monthly report in May, June and July, each of which was the same as the preceeding month, or [] for an extremely small amount of effort.

The same type of expenditure applies to PAR 205 in that [] through 23 February 1964, [] through 22 March and [] through 14 June 1964 was spent with the only effort subsequent to 22 March was three brief monthly reports for []

3. It is felt that these two figures of [] for the meager effort expended warrants investigation so as to preclude this type padding, if investigation verifies such, on the other PAR's under []

[]
Development Branch, P&DS

NPIC/P&DS

(27 Aug 64)